

NIX DRILLING COMPANY STATE PT. GEOTHERMAL  
NW/ SW Sec 16-T5S-R24E, Graham Co. 821

(over)

[illegible][illegible]

DATE STARTED - COMPLETED		WORK PERFORMED	NEW PERFORATIONS

ADDITIONAL INFORMATION

WELL COMPLETION OR RECOMPLETION REPORT AND WELL LOG																	
DESIGNATE TYPE OF COMPLETION:																	
New Well	<input checked="" type="checkbox"/>	Work-Over	<input type="checkbox"/>	Deepen	<input type="checkbox"/>	Plug Back	<input type="checkbox"/>	Same Reservoir	<input type="checkbox"/>	Different Reservoir	<input type="checkbox"/>	Oil	<input type="checkbox"/>	Gas	<input type="checkbox"/>	Dry	<input type="checkbox"/>
DESCRIPTION OF WELL AND LEASE																	
Operator <i>Nix Drilling Co.</i>						Address <i>Rt - Box 1235 - Globe, Az.</i>											
Federal, State or Indian Lease Number or name of lessor if fee lease <i>State</i>						Well Number <i>#1 Gerth</i>		Field & Reservoir <i>Indian Hot Springs</i>									
Location <i>NW/4SW Sec 16 - T5S - 24E</i>						County <i>Graham</i>											
Sec. TWP-range or Block & Survey <i>Elen Sec 16 - T5S - 24E</i>																	
Date spudded <i>7-1-74</i>		Date total depth reached <i>11-1-77</i>		Date completed, ready to produce		Elevation (DF, RKB, RT or Gr.) feet		Elevation of casing hd. Range feet									
Total depth <i>400'</i>		P.B.T.D.		Single, dual or triple completion?		If this is a dual or triple completion, furnish separate report for each completion.											
Producing interval (s) for this completion				Rotary tools used (interval) <i>TOTAL</i>		Cable tools used (interval)											
Was this well directionally drilled? <i>No</i>		Was directional survey made?		Was copy of directional survey filed?		Date filed											
Type of electrical or other logs run (check logs filed with the commission) <i>NONE</i>						Date filed											
CASING RECORD																	
Casing (report all strings set in well—conductor, surface, intermediate, producing, etc.)																	
Purpose	Size hole drilled	Size casing set	Weight (lb./ft.)	Depth set	Sacks cement	Amt. pulled											
<i>Conductor</i>	<i>13"</i>	<i>12"</i>		<i>80'</i>	<i>45</i>	<i>NONE</i>											
TUBING RECORD					LINER RECORD												
Size in.	Depth set ft.	Packer set at ft.	Size in.	Top ft.	Bottom ft.	Sacks cement	Screen (ft.)										
PERFORATION RECORD					ACID, SHOT, FRACTURE, CEMENT SQUEEZE RECORD												
Number per ft.	Size & type	Depth Interval		Amt. & kind of material used		Depth Interval											
INITIAL PRODUCTION																	
Date of first production		Producing method (indicate if flowing, gas lift or pumping—if pumping, show size & type of pump:)															
Date of test	Hrs. tested	Choke size	Oil prod. during test bbls.	Gas prod. during test MCF	Water prod. during test bbls.	Oil gravity ° API (Corr)											
Tubing pressure	Casing pressure	Cal'd rate of Production per 24 hrs.	Oil bbls.	Gas MCF	Water bbls.	Gas-oil ratio											
Disposition of gas (state whether vented, used for fuel or sold):																	
<p>CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the <u>OWNER</u> of the <u>Nix Drilling</u> (company), and that I am authorized by said company to make this report; and that this report was prepared under my supervision and direction and that the facts stated therein are true, correct and complete to the best of my knowledge.</p> <p>Date <u>12-12-78</u> Signature <u>Red C Nix</u></p>																	
RECEIVED					STATE OF ARIZONA OIL & GAS CONSERVATION COMMISSION												
O & G CONS. COMM.					Well Completion or Recompletion Report and Well Log Form No. 4 File One Copy												

# DETAIL OF FORMATIONS PENETRATED

Formation	Top	Bottom	Description*
Gila Range	0'	700	Started in solid rock to 550' then numerous cavities of 5' to 15' depth, some solid rock interunks on down to 700' total. Used over 35 yds. mud materials in holding formations open to drill.

\* Show all important zones of porosity, detail of all cores, and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries.

## INSTRUCTIONS:

Attach drillers log or other acceptable log of well.

This Well Completion or Recompletion report and well log shall be filed with the State of Arizona Oil & Gas Conservation Commission not later than thirty days after project completion.

Form No. 4

PLUGGING RECORD						
Operator <i>Nix Drilling Co.</i>			Address <i>Rt 1-Box 123F - Globe, Az</i>			
Federal, State, or Indian Lease Number, or lessor's name if fee lease. <i>State</i>			Well No. <i>#100th</i>	Field & Reservoir <i>Indian Hot Springs</i>		
Location of Well <i>Eden, Az</i>			Sec-Twp-Rge or Block & Survey <i>NW/SE 16-75S-R24E</i>		County <i>Graham</i>	
Application to drill this well was filed in name of <i>Reed C. Nix</i>		Has this well ever produced oil or gas <i>No</i>	Character of well at completion (initial production): Oil (bbls/day) _____ Gas (MCF/day) _____ Dry? <i>Adesian Water</i>			
Date plugged: <i>11-21-78</i>		Total depth <i>700'</i>	Amount well producing when plugged: Oil (bbls/day) _____ Gas (MCF/day) _____		Water (bbls/day) <i>1 GPM Salt</i>	
Name of each formation containing oil or gas. Indicate which formation open to well-bore at time of plugging		Fluid content of each formation		Depth interval of each formation		Size, kind & depth of plugs used. Indicate zones squeeze cemented, giving amount cement
CASING RECORD						
Size pipe <i>12"</i>	Put in well (ft.) <i>80'</i>	Pulled out (ft.) <i>NONE</i>	Left in well (ft.) <i>80'</i>	Give depth and method of parting casing (shot, ripped, etc.)	Packers and shoes	
Was well filled with mud-laden fluid, according to regulations? <i>Yes</i>				Indicate deepest formation containing fresh water. <i>NONE KNOWN</i>		
NAMES AND ADDRESSES OF ADJACENT LEASE OPERATORS OR OWNERS OF THE SURFACE						
Name		Address			Direction from this well:	
In addition to other information required on this form, if this well was plugged back for use as a fresh water well, give all pertinent details of plugging operations to base of fresh water sand, perforated interval to fresh water sand, name and address of surface owner, and attach letter from surface owner authorizing completion of this well as a water well and agreeing to assume full liability for any subsequent plugging which might be required.						
Use reverse side for additional detail.						
CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the <i>OWNER</i> of the <i>Nix Drilling Co.</i> (company) and that I am authorized by said company to make this report; and that this report was prepared under my supervision and direction and that the facts stated therein are true, correct and complete to the best of my knowledge.						
Date <i>12-12-78</i>		Signature <i>Reed C. Nix</i>				
RECEIVED						
DEC 19 1978						
O & G CONS. COMM.						
STATE OF ARIZONA OIL & GAS CONSERVATION COMMISSION Plugging Record File One Copy						
Form No. 10						
Permit No. <i>620</i>						

# APPLICATION TO ABANDON AND PLUG

FIELD Indian Hot Springs  
 OPERATOR Nix Drilling ADDRESS Rt 1 - Box 123 F - Globe, Az.  
 Federal, State, or Indian Lease Number State WELL NO. #1 Beuth.  
 or Lessor's Name if Fee Lease  
 LOCATION Eden, Az. - Graham Co NW/5W Sec 16-755 - R.24E.

TYPE OF WELL Dry to depth drilled TOTAL DEPTH 700'  
 (Oil, Gas or Dry Hole)  
 ALLOWABLE (If Assigned) None  
 LAST PRODUCTION TEST OIL \_\_\_\_\_ (Bbls.) WATER \_\_\_\_\_ (Bbls.)  
None GAS \_\_\_\_\_ (MCF) DATE OF TEST \_\_\_\_\_  
 PRODUCING HORIZON \_\_\_\_\_ PRODUCING FROM \_\_\_\_\_ TO \_\_\_\_\_

## 1. COMPLETE CASING RECORD.

60' welded 12" casing cemented to wall  
Rocks 5-10-74

## 2. FULL DETAILS OF PROPOSED PLAN OF WORK

Over 20' of cement on top of completely mud  
filled hole already completed

DATE COMMENCING OPERATIONS Completed  
 NAME OF PERSON DOING WORK Reed C. Nix ADDRESS Rt 1 - Box 123 F - Globe

Signature \_\_\_\_\_  
 Title OWNER  
 Address Rt 1 - Box 123 F - Globe, Az.  
 Date 12-12-78

Date Approved \_\_\_\_\_  
 STATE OF ARIZONA  
 OIL & GAS CONSERVATION COMMISSION  
 By: \_\_\_\_\_

STATE OF ARIZONA  
 OIL & GAS CONSERVATION COMMISSION  
 Application to Abandon and Plug  
 File Two Copies  
 Form No. 9

Permit No. 620

DEC 19 1978

O & G CONS. COMM.

**SUNDRY NOTICES AND REPORTS ON WELLS**

1. Name of Operator Reed & Ny D.B.A. NIX DRILLING CO.  
 2. OIL WELL ☐ GAS WELL ☐ OTHER ☒ (Specify) Geothermal  
 3. Well Name State #1 Geothermal Nix Drilling Co.  
 Location 16 - T5S - 24E Graham Co.  
 Sec. 14 Twp. T5S Rge. 24E County Graham Arizona.  
 4. Federal, State or Indian Lease Number, or lessor's name if fee lease State  
 5. Field or Pool Name Ind Hot Springs

6. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

**NOTICE OF INTENTION TO:**

TEST WATER SHUT-OFF <input checked="" type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	DIRECTIONAL DRILL <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	PERFORATE CASING <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>
(OTHER) <input type="checkbox"/>	

**SUBSEQUENT REPORT OF:**

WATER SHUT-OFF <input type="checkbox"/>	MONTHLY PROGRESS <input type="checkbox"/>
FRACTURE TREATMENT <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
SHOOTING OR ACIDIZING <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
(OTHER) <input type="checkbox"/>	ABANDONMENT <input type="checkbox"/>

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

7. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Test water was shut off and mudded in with mud gel, bentonite, and 4 sacks of barite weight material. Test well was pumped full of good mud to stop artesian flow. After determination of results which are promising to the likely success of the venture. Well will be held in such condition pending lease option renewal. Plan to clean now tracks, chains.

RECEIVED

JAN 8 1978

O & G CONS. COMM.

8. I hereby certify that the foregoing is true and correct.

Signed Reed & Ny Title Owner Date Jan 30, 1978

Permit No. 620

STATE OF ARIZONA  
OIL & GAS CONSERVATION COMMISSION  
Sundry Notices and Reports On Wells  
File Two Copies

Form No. 25





DULLES INTERNATIONAL AIRPORT  
is an international gateway to the  
country through Washington, our nation's  
capital. It is a jet airport of both  
and efficiency, offering the most modern  
facilities to all its visitors.

Dear Sir:  
No progress  
on the Georgetown  
project for 2 weeks  
Have been shut  
down for repairs &  
quick vacation.  
Will notify you  
when work starts again.  
Sincerely,  
Reed

WASHINGTON  
Our  
Nation's Capital

6 JUN 28 1974

RECEIVED

JUL 01 1974

O & G CONS. COMM.

State of Arizona  
Oil & Gas Commission  
Attn: W. C. Allen  
4515 N. 7th Ave  
Phoenix, AZ 85013



UNITED STATES 10c



W H

Globe, Arizona  
June 14, 1975

State Oil & Gas Comm.  
8800 N. Central  
Phoenix, Arizona

Att: W. E. Allen

Dear Bill:

I wish to report that I have resumed drilling and have drilled from 550 to 600 ft. in the past week. Plan to drill another 100 ft. in the next week or two.

I am saving samples. The formations are the same and we are drilling in warm water.

Sincerely,

*Reed C. Nix*

Reed C. Nix  
Nix Drilling Co.  
Globe, Az.

Permit #620

RECEIVED

JUN 16 1975

O & G CONS. COMM.

Globe, Ar.  
July 15, 1974

Oil & Gas Commission  
State of Arizona  
4515 N. 8th Ave.  
Phoenix, Az.

Attn: W. E. Allen

Dear Mr. Allen:

Due to the shortage of money and the tight supply  
of money at the present time, we are shut down temporarily.

I am hopeful of getting started again in 30 to 60  
days.

Sincerely,

*Reed C. Nix*

Reed C. Nix

TEL. No 425-6094

RECEIVED

JUL 15 1974

O & G CONS. COMM.

State of Arizona  
Oil & Gas Conservation Comm.  
Phoenix, Az.

att: H. E. Allen

Dear Sir:

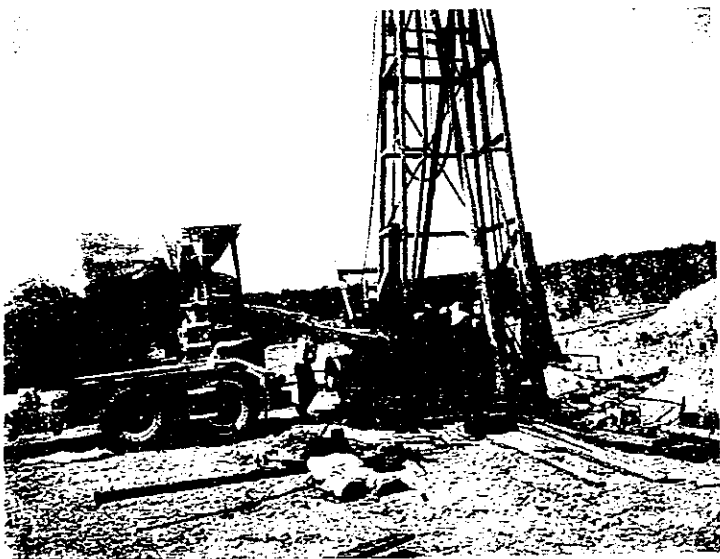
The bore drilled to a depth of  
540 ft. Have water - weekly  
artesian.

Have shut down for 10 days  
for repairs and drillers vacation.

Sincerely  
Reed M.  
Mif Drilling Co.

620

RECEIVED  
JUN 17 1974  
O & G CONS. COMM.



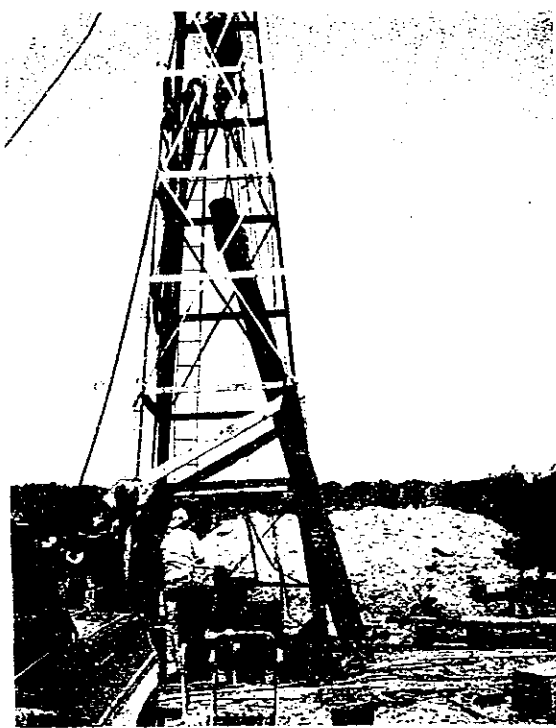
Nix 7-19

620



Nix 7-19

620



Nix 7-19

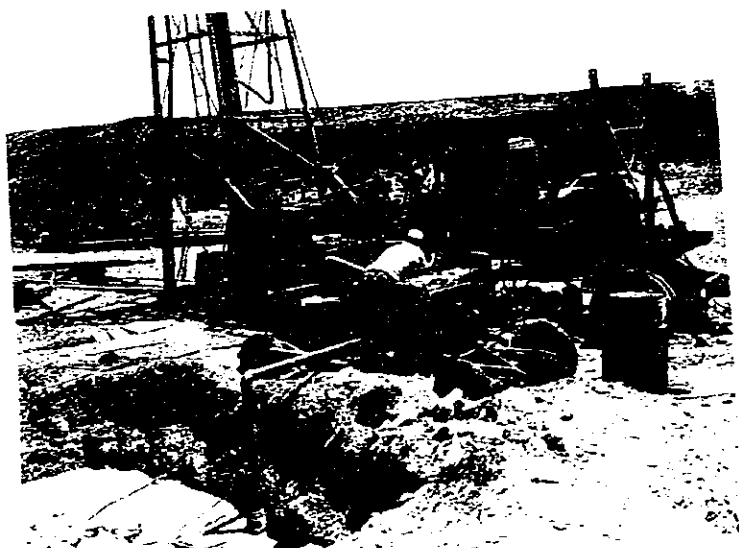
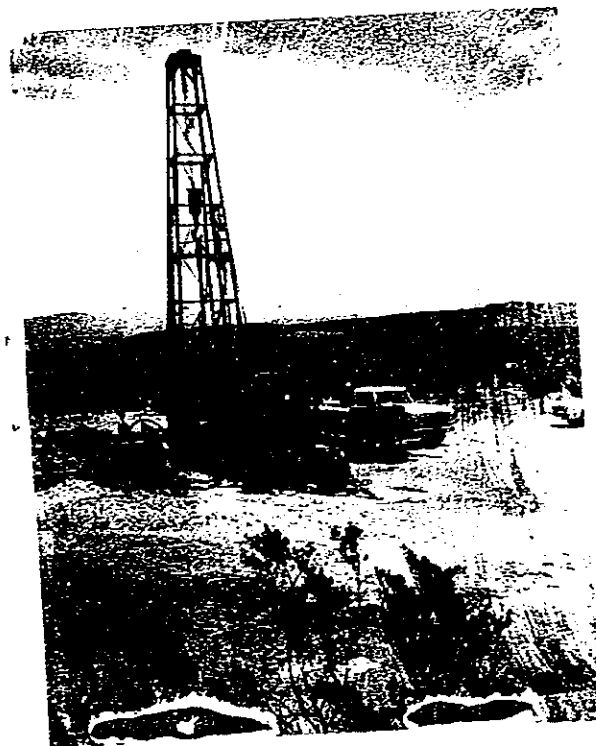
620

May 13, 1974

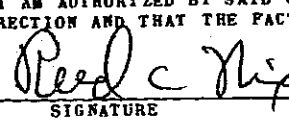
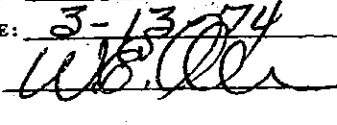
Memo to file from W. E. Allen,  
Director, Enforcement Section

Re: Nix Drilling State #1  
Sec 16-T5S-R24E  
Graham County  
Permit #620

Nix Drilling Company ran 4 jts, 12 1/2" casing on May 9th. Pipe set at 76' G.L. On may 10th this casing was cemented with 45 sks neat cement. Cement did not circulate. Indications were that the bottom 30' of the casing was well cemented. The top will be bridged with 6 sks cement.





APPLIC. FOR PERMIT TO DRILL & RE-ENTER GEOTHERMAL RESOURCES WELL		
APPLICATION TO DRILL <input checked="" type="checkbox"/>		RE-ENTER OLD WELL <input type="checkbox"/>
Nix Drilling Company		
NAME OF COMPANY OR OPERATOR		
Rt. 1, Box 123 F, Globe, Arizona		
ADDRESS	CITY	STATE
Same		
DRILLING CONTRACTOR		
ADDRESS		
DESCRIPTION OF WELL AND LEASE		
FEDERAL, STATE OR INDIAN LEASE NUMBER, OR IF FEE LEASE, NAME OF LESSOR	WELL NUMBER	ELEVATION (GROUND)
State	1	2810
NEAREST DISTANCE FROM PROPOSED LOCATION TO PROPERTY OR LEASE LINE:	DISTANCE FROM PROPOSED LOCATION TO NEAREST DRILLING COMPLETED OR APPLIED-FOR WELL ON THE SAME LEASE:	
560 - East FEET	None FEET	
NUMBER OF ACRES IN LEASE:	NUMBER OF WELLS ON LEASE, INCLUDING THIS WELL, COMPLETED IN OR DRILLING TO THIS RESERVOIR:	
640	None	
IF LEASE, PURCHASED WITH ONE OR MORE WELLS DRILLED, FROM WHOM PURCHASED:		ADDRESS
N.A.		
WELL LOCATION (GIVE FOOTAGE FROM SECTION LINES)	SECTION-TOWNSHIP-RANGE OR BLOCK AND SURVEY	DEDICATION (COMPLY WITH RULE G-105)
560' NW 1/4 Sec. 16, T5S, R24E	Section 16-T5S-R24E	NW/SW 40 acres
FIELD AND RESERVOIR (IF WILDCAT, SO STATE)	COUNTY	
Wildcat	Graham	
DISTANCE, IN MILES, AND DIRECTION FROM NEAREST TOWN OR POST OFFICE		
5 miles, Southeast of Ft. Thomas		
PROPOSED DEPTH:	ROTARY OR CABLE TOOLS	APPROX. DATE WORK WILL START
2,000'	Rotary	March 18, 1974
BOND STATUS	ORGANIZATION REPORT	FILING FEE OF \$25.00
AMOUNT 5,000	ON FILE OR ATTACHED <input checked="" type="checkbox"/>	ATTACHED <input checked="" type="checkbox"/>
REMARKS:		
This is a geothermal resources test well.		
CERTIFICATE: I, THE UNDERSIGNED, UNDER THE PENALTY OF PERJURY, STATE THAT I AM THE <u>Owner</u> OF THE <u>Nix Drilling Co.</u> (COMPANY), AND THAT I AM AUTHORIZED BY SAID COMPANY TO MAKE THIS REPORT: AND THAT THIS REPORT WAS PREPARED UNDER MY SUPERVISION AND DIRECTION AND THAT THE FACTS STATED THEREIN ARE TRUE, CORRECT AND COMPLETE TO THE BEST OF MY KNOWLEDGE.		
 SIGNATURE		
<u>March 12, 1974</u> DATE		
PERMIT NUMBER: <u>620</u>	STATE OF ARIZONA OIL & GAS CONSERVATION COMMISSION APPLICATION TO DRILL OR RE-ENTER FILE TWO COPIES FORM NO. G-3	
APPROVAL DATE: <u>3-13-74</u>		
APPROVED BY: 		
NOTICE: BEFORE SENDING IN THIS FORM BE SURE THAT YOU HAVE GIVEN ALL INFORMATION REQUESTED. MUCH UNNECESSARY CORRESPONDENCE WILL THUS BE AVOIDED.		

(COMPLETE REVERSE SIDE)

- |                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |      |          |         |      |                                  |                                                          |                            |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|----------|---------|------|----------------------------------|----------------------------------------------------------|----------------------------|
| Owner State                                                                                                                                                                                                                     | Land Description S16, T5S, R24E                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |      |          |         |      |                                  |                                                          |                            |
| <div style="border: 1px solid black; width: 100%; height: 100%; position: relative;"> <div style="position: absolute; top: 0; right: 0; bottom: 0; left: 0; border: 1px dashed black; width: 100%; height: 100%;"></div> </div> | <p style="text-align: center; margin-top: 0;"><b>CERTIFICATION</b></p> <p>I hereby certify that the information above is true and complete to the best of my knowledge and belief.</p> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <tr><td style="padding: 5px;">Name</td></tr> <tr><td style="padding: 5px;">Position</td></tr> <tr><td style="padding: 5px;">Company</td></tr> <tr><td style="padding: 5px;">Date</td></tr> </table> <p style="margin-top: 20px;">I hereby certify that the well location shown on the plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.</p> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 20px;"> <tr> <td style="padding: 5px;">Date Surveyed<br/>August 20, 1973</td> </tr> <tr> <td style="padding: 5px;">Registered Professional Engineer<br/>and/or Land Surveyor</td> </tr> <tr> <td style="padding: 5px;">Certificate No.<br/>LS 7490</td> </tr> </table> | Name | Position | Company | Date | Date Surveyed<br>August 20, 1973 | Registered Professional Engineer<br>and/or Land Surveyor | Certificate No.<br>LS 7490 |
| Name                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |      |          |         |      |                                  |                                                          |                            |
| Position                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |      |          |         |      |                                  |                                                          |                            |
| Company                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |      |          |         |      |                                  |                                                          |                            |
| Date                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |      |          |         |      |                                  |                                                          |                            |
| Date Surveyed<br>August 20, 1973                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |      |          |         |      |                                  |                                                          |                            |
| Registered Professional Engineer<br>and/or Land Surveyor                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |      |          |         |      |                                  |                                                          |                            |
| Certificate No.<br>LS 7490                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |      |          |         |      |                                  |                                                          |                            |

Size of Casing	Weight	Grade & Type	Top	Bottom	Cementing Depths	Sacks Cement
12"				80'	Circulated	
7"				800'	800'	
4 1/2"				1400'		125 sks.

APPLICATION FOR PERMIT TO DRILL OR RE-ENTER GEOTHERMAL RESOURCES WELL			
APPLICATION TO DRILL <input checked="" type="checkbox"/>		RE-ENTER OLD WELL <input type="checkbox"/>	
NAME OF COMPANY OR OPERATOR <u>Mix Drilling Co.</u>			
ADDRESS <u>Box 123 F Globe</u>		STATE <u>Ariz.</u>	
DRILLING CONTRACTOR <u>Same</u>			
ADDRESS			
DESCRIPTION OF WELL AND LEASE			
FEDERAL, STATE OR INDIAN LEASE NUMBER, OR IF FEE LEASE, NAME OF LESSOR <u>State</u>	WELL NUMBER <u>1</u>	ELEVATION (GROUND) <u>2810</u>	
NEAREST DISTANCE FROM PROPOSED LOCATION TO PROPERTY OR LEASE LINE: <u>560 - East</u> FEET	DISTANCE FROM PROPOSED LOCATION TO NEAREST DRILLING COMPLETED OR APPLIED-FOR WELL ON THE SAME LEASE: <u>None</u> FEET		
NUMBER OF ACRES IN LEASE: <u>640</u>	NUMBER OF WELLS ON LEASE, INCLUDING THIS WELL COMPLETED IN OR DRILLING TO THIS RESERVOIR: <u>None</u>		
IF LEASE, PURCHASED WITH ONE OR MORE WELLS DRILLED, FROM WHOM PURCHASED: <u>N. A.</u>		NAME ADDRESS	
WELL LOCATION (GIVE FOOTAGE FROM SECTION LINES) <u>NE corner NW 1/4 SW 1/4 Sec 16 T55 R24E</u>		SECTION-TOWNSHIP-RANGE OR BLOCK AND SURVEY <u>Section 16 T55 R24E</u>	
FIELD AND RESERVOIR (IF WILDCAT, SO STATE) <u>Wildcat</u>		COUNTY <u>Graham</u>	
DEDICATION (COMPLY WITH RULE G-105) <u>NE corner NW 1/4 SW 1/4 40 Acres NW</u>			
DISTANCE, IN MILES, AND DIRECTION FROM NEAREST TOWN OR POST OFFICE <u>5 miles Southeast of Ft. Thomas</u>			
PROPOSED DEPTH: <u>2000 ft.</u>	ROTARY OR CABLE TOOLS <u>Rotary</u>	APPROX. DATE WORK WILL START <u>March 10, 1974</u>	
BOND STATUS <u>\$5000.00</u>	ORGANIZATION REPORT <u>ON FILE</u>	FILING FEE OF \$25.00 <u>ATTACHED</u>	
REMARKS:			
<p>CERTIFICATE: I, THE UNDERSIGNED, UNDER THE PENALTY OF PERJURY, STATE THAT I AM THE <u>Owner</u> OF THE <u>Mix Drilling Co.</u> (COMPANY), AND THAT I AM AUTHORIZED BY SAID COMPANY TO MAKE THIS REPORT; AND THAT THIS REPORT WAS PREPARED UNDER MY SUPERVISION AND DIRECTION AND THAT THE FACTS STATED THEREIN ARE TRUE, CORRECT AND COMPLETE TO THE BEST OF MY KNOWLEDGE.</p> <p style="text-align: right;">SIGNATURE <u>Reed Mix</u></p> <p style="text-align: right;">DATE <u>March 12, 1974</u></p>			
PERMIT NUMBER: <u>620</u>		<b>STATE OF ARIZONA</b> <b>OIL &amp; GAS CONSERVATION COMMISSION</b> APPLICATION TO DRILL OR RE-ENTER FILE TWO COPIES FORM NO. G-3	
APPROVAL DATE: <u>3-13-74</u>			
APPROVED BY: <u>W. B. Allen</u>			
NOTICE: BEFORE SENDING IN THIS FORM BE SURE THAT YOU HAVE GIVEN ALL INFORMATION REQUESTED. MUCH UNNECESSARY CORRESPONDENCE WILL THUS BE AVOIDED.			

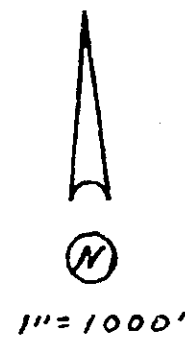
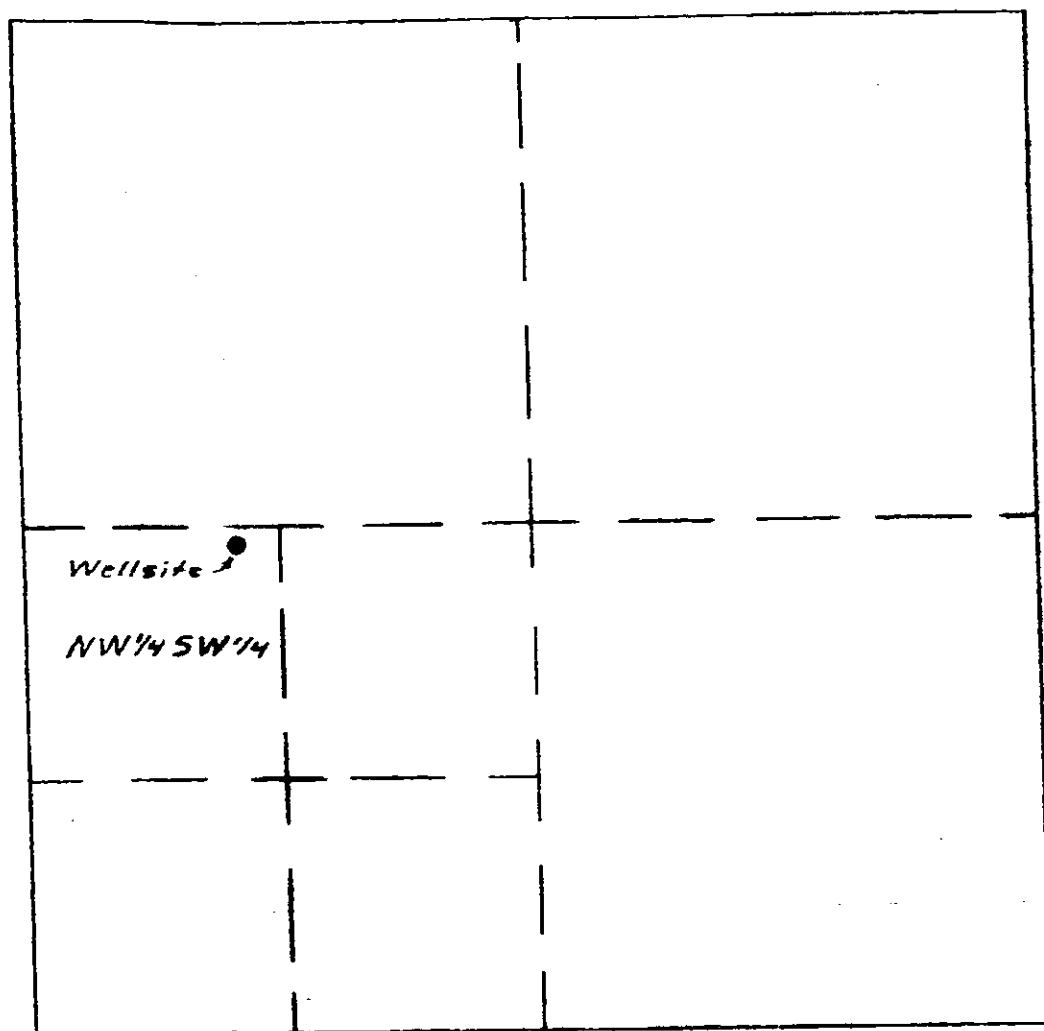
(COMPLETE REVERSE SIDE)

1. OPERATOR SHALL OUTLINE THE DEDICATED ACREAGE FOR GEOTHERMAL RESOURCES WELLS ON THE PLAT.
2. A REGISTERED PROFESSIONAL ENGINEER OR LAND SURVEYOR REGISTERED IN THE STATE OF ARIZONA OR APPROVED BY THE COMMISSION SHALL SHOW ON THE PLAT THE LOCATION OF THE WELL AND CERTIFY THIS INFORMATION IN THE SPACE PROVIDED.
3. ALL DISTANCES SHOWN ON THE PLAT MUST BE FROM THE OUTER BOUNDARIES OF THE SECTION.
4. IS THE OPERATOR THE ONLY OWNER IN THE DEDICATED ACREAGE OUTLINED ON THE PLAT BELOW? YES X NO
5. IF THE ANSWER TO QUESTION FOUR IS "NO" HAVE THE INTERESTS OF ALL THE OWNERS BEEN CONSOLIDATED BY COMMUNITIZATION AGREEMENT OR OTHERWISE? YES      NO     . IF ANSWER IS "YES" TYPE OF CONSOLIDATION
6. IF THE ANSWER TO QUESTION FOUR IS "NO", LIST ALL THE OWNERS AND THEIR RESPECTIVE INTERESTS BELOW:

Owner <u>State</u>	Land Description <u>S16, T5S, R24E</u>
<div style="text-align: center; font-weight: bold;">CERTIFICATION</div> <p>I hereby certify that the information above is true and complete to the best of my knowledge and belief.</p> <p>Name <u>                    </u></p> <p>Position <u>                    </u></p> <p>Company <u>                    </u></p> <p>Date <u>                    </u></p> <p>I hereby certify that the location shown on the plat was plotted from field notes and actual surveys made by me or under my supervision and that the same are true and correct to the best of my knowledge and belief.</p> <div style="text-align: center;"> </div> <p>Date Surveyed <u>August 28, 1973</u></p> <p>Registered Professional Engineer and/or Land Surveyor <u>[Signature]</u></p> <p>Certificate No. <u>257498</u></p>	

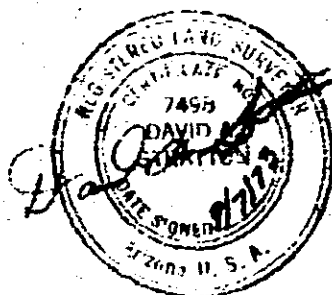
PROPOSED CASING PROGRAM

Size of Casing	Weight	Grade & Type	Top	Bottom	Cementing Depths	Sacks Cement
12" 80' 12" long bottom 40' cement circulate 80' 12" cement		C		50' 800' 1400'	800' 7" circulate cement	105 sk.

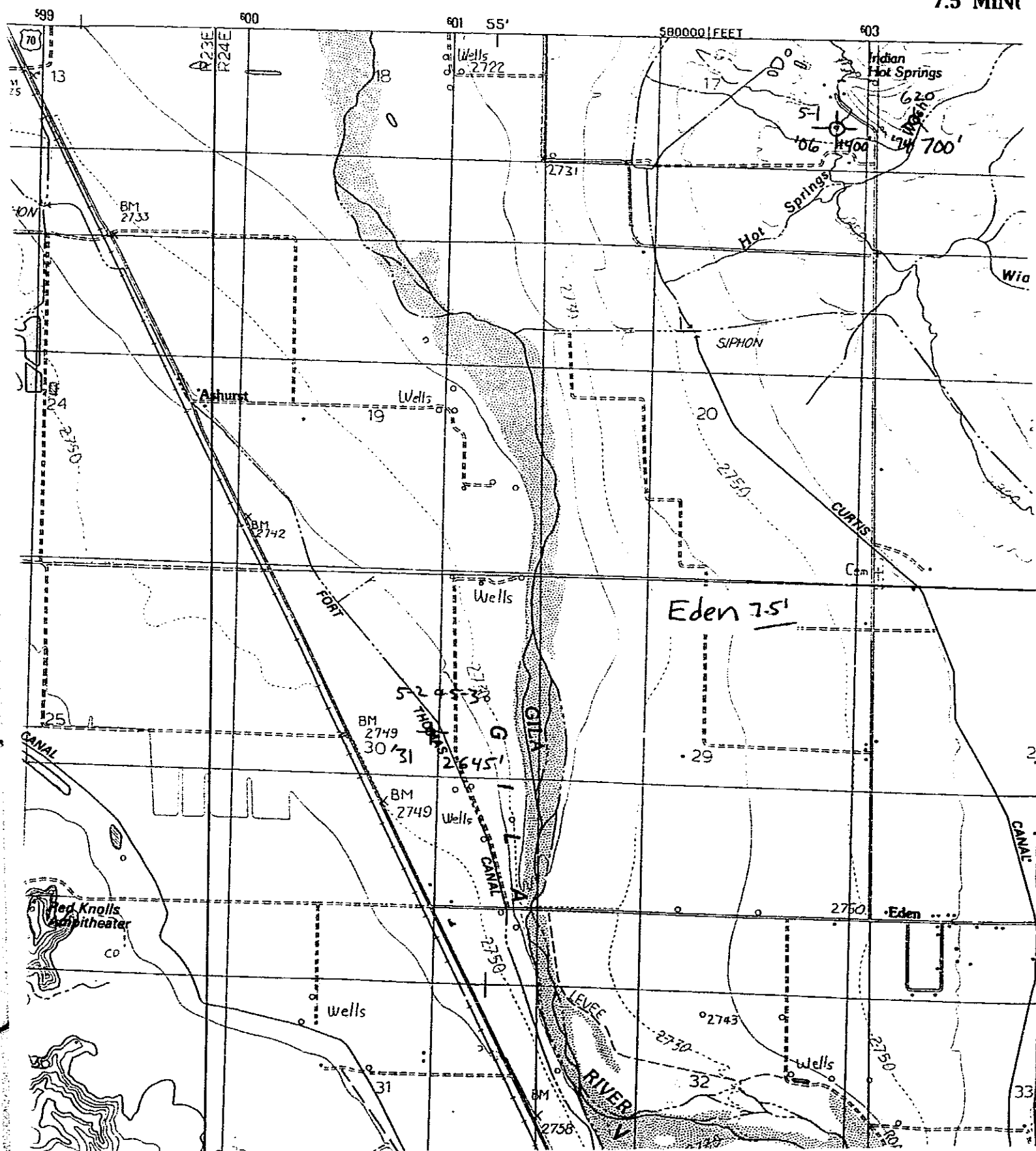


Location of Geothermal Test Well in  
NW 1/4 SW 1/4, Section 16, T5S, R24E,  
G & SRB & M, Graham County, Arizona.

LOCATED FOR REED NIX DURING AUGUST, 1973,  
BY DAVID A. STRATTON, L57498  
ROUTE 1, BOX 860  
SAFFORD, ARIZONA



A  
7.5 MINI





## PERMIT TO DRILL

This constitutes the permission and authority from the

OIL AND GAS CONSERVATION COMMISSION,  
STATE OF ARIZONA,

**NIX DRILLING COMPANY**

To:

(OPERATOR)

to drill a well to be known as

**NIX DRILLING COMPANY STATE NO. 1**

(WELL NAME)

located **560 FWL & 2145 FSL**

Section **16** Township **5S** Range **24E**, **Graham** County, Arizona.

The **NW/SW 40 acres** of said  
Section, Township and Range is dedicated to this well.

Said well is to be drilled substantially as outlined in the attached Application and must be drilled  
in full compliance with all applicable laws, statutes, rules and regulations of the State of Arizona.

Issued this **13th** day of **March**, 19**74**.

OIL AND GAS CONSERVATION COMMISSION

By

*W.B. Allen for J.B.*  
EXECUTIVE SECRETARY

PERMIT

Nº

620

RECEIPT NO. 57

API NO. 02-009-20004

SAMPLES ARE REQUIRED

State of Arizona  
Oil & Gas Conservation Commission

Permit to Drill

FORM NO. 27

**AID INSURANCE SERVICES**

**NOTICE OF BOND CANCELLATION**

AID INSURANCE COMPANY (MUTUAL) • DES MOINES, IOWA 50304

**RECEIVED**

**MAR 18 1982**

Date: March 15, 1982

**O & G CONS. COMM.**

This Notice Mailed To:

State of Arizona  
Office of Oil & Gas Conservation Comm.  
1645 West Jefferson, Suite 420  
Phoenix, AZ 85007

Named Insured or Obligor

In accordance with the terms of the Bond or Public Statute, you are hereby given written notice of cancellation of:

Bond No. Bd 10430  
Issued To Reed C. Nix dba Nix Drilling Co.  
Description of Bond Oil, gas or mineral wells, permit bond

Cancellation shall be effective:

☐ \_\_\_\_\_ Days after receipt

☒ on the 5th day of March, 19 82  
12:01 A.M. Standard Time at the address shown above for Named Insured or Obligor

Copy of Notice To:

Reed C. Nix  
dba Nix Drilling Co.  
Rt. 1 box 123F  
Globe, AZ 85502

AID INSURANCE COMPANY (MUTUAL)

By Pat Feyen  
Pat Feyen ATTORNEY-IN-FACT

Agent Phoenix-American Insurance  
and  
Address Phoenix, Az





March 5, 1982

Phoenix-American Insurance Agency, Inc.  
P.O. Box 33636  
Phoenix, Arizona 85067

Re: Performance Bond Bd 10430 - Nix Drilling Co. 1 State  
AID Insurance Co. (Mutual)

Gentlemen:

This letter is your authority to cancel the above referenced  
bond in the amount of \$5,000.

This well has been plugged and abandoned and all require-  
ments as set forth in our rules and regulations have been  
met.

Sincerely,

R. A. Ybarra  
Enforcement Director

RAY:os

March 5, 1982

Oil & Gas Conservation Commission  
1645 West Jefferson, Ste. 420  
Phoenix, Arizona 85007

Gentlemen:

As Nix Drilling Company State #1 geothermal test well, your Permit No. 620, has been plugged and abandoned, and the wellsite inspected by Mr. W. E. Allen, it is requested that you advise Phoenix-American Insurance Agency, Inc., that the \$5,000 bond should be released.

Very truly yours,

*Reed C. Nix*

Reed C. Nix  
Route 1, Box 123F  
Globe, Arizona 85501

PERFORMANCE BOND

KNOW ALL MEN BY THESE PRESENTS

Bond Serial No. Bd 10430

That we: Reed C. Nix dba Nix Drilling Co.

of the County of Gila in the State of Arizona

as principal, and AID Insurance Company (Mutual)

of Des Moines, Iowa

AUTHORIZED TO DO BUSINESS WITHIN the State of Arizona.

as surety, are held and firmly bound unto the State of Arizona and the Oil and Gas Conservation Commission, hereinafter referred to as the "Commission", in the penal sum of Five Thousand and 00/100-----(\$5000.00) lawful money of the United States, for which payment, well and truly to be made, we bind ourselves, and each of us, and each of our heirs, executors, administrators or successors, and assigns jointly and severally, firmly by these presents.

The conditions of this obligation are that, whereas the above bounden principal proposes to drill a well or wells for a Geothermal Resource or stratigraphic purposes in and upon the following described land situated within the State, to-wit:

NW 1/4 SW 1/4, Section 16, T5S, R24E of Graham County, Arizona

(May be used as blanket bond or for single well)

NOW, THEREFORE, if the above bounden principal shall comply with all the provisions of the Laws of this State and the rules, regulations and orders of the Commission, especially with reference to the requirements of A.R.S. § 27-652, providing for the proper drilling, casing and plugging of said well or wells, and filing with the Oil and Gas Conservation Commission all notices and records required by said Commission, then in the event said well or wells do not produce Geothermal Resources in commercial quantities, or cease to produce a Geothermal Resource in commercial quantities, this obligation is void; otherwise it shall remain in full force and effect.

Whenever the principal shall be, and declared by the Oil and Gas Conservation Commission in violation of the Laws of this State and the rules, regulations and orders of the Commission, the surety shall promptly:

1. Remedy the violation by its own efforts, or
2. Obtain a bid or bids for submission to the Commission to remedy the violation, and upon determination by the Commission and the Surety of the lowest responsible bidder, arrange for a contract between such bidder and the Commission, and make available as work progresses sufficient funds to pay the cost of remedying the violation; but not exceeding, including other costs and damages for which the surety may be liable hereunder, the amount set forth in the first paragraph hereof.

Liability under this bond may not be terminated without written permission of this Commission.

WITNESS our hands and seals, this 12th day of March, 1974.

Reed C. Nix dba Nix Drilling Co.

*Reed C. Nix*

Principal

WITNESS our hands and seals this 12th day of March, 1974.

AID Insurance Company (Mutual)

*Howard Payne*

Surety

Howard Payne,  
Attorney-in-Fact

Surety, Resident Arizona Agent  
(If issued in a state other than Arizona)

(If the principal is a corporation, the bond should be executed by its duly authorized officers, with the seal of the corporation affixed. When principal or surety executes this bond by agent, power of attorney or other evidence of authority must accompany the bond.)

Approved Date <u>March 13, 1974</u>
STATE OF ARIZONA OIL & GAS CONSERVATION COMMISSION
By: <i>W.E. Allen</i>

STATE OF ARIZONA OIL & GAS CONSERVATION COMMISSION
Bond
File Two Copies
Form No. G-2

Permit No. 620



AID INSURANCE SERVICES

AID INSURANCE COMPANY (MUTUAL) • DES MOINES, IOWA 50304

## POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENT: AID Insurance Company (Mutual), a corporation organized under the laws of the State of Iowa, with its principal office in the City of Des Moines, Iowa, hereinafter called "Company", does hereby make, constitute and appoint  
--- Douglas G. Christensen, Raymond R. Walker, Philip E.

Frick, Howard Payne, Jerry Jensen, Phoenix, Arizona---

each in his individual capacity, its true and lawful Attorney-in-Fact with full power and authority to sign, seal, and execute in its behalf any and all bonds and undertakings and other obligatory instruments of similar nature (except bonds guaranteeing the payment of principal and interest of notes, mortgage bonds and mortgages) in penalties not exceeding the sum of

Two Hundred Fifty Thousand and no/100-----(\$ 250,000.00 )  
and to bind the Company thereby, as fully and to the same extent as if such instruments were signed by the duly authorized officers of the Company; and all acts of said Attorney pursuant to the authority hereby given are hereby ratified and confirmed.

This Power of Attorney is made and executed pursuant to and by authority of the following By-Laws duly adopted by the Board of Directors of the Company.

### ARTICLE IX — EXECUTION OF CONTRACTS

"Section 2. Bonds, undertakings, and other obligatory instruments of similar nature, other than policies and endorsements, issued by the Corporation shall be validly executed and binding on the Corporation when signed by the President, or a Vice President, or by Attorney(s)-in-Fact appointed by the President, or by a Vice President."

"Section 3. The President, or a Vice President, shall have the power to appoint agents of the Corporation, or other persons, as Attorney(s)-in-Fact to act on behalf of the Corporation in the execution of bonds, undertakings, and other obligatory instruments of similar nature, other than policies and endorsements with full power to bind the Corporation by their signature and execution of any such instrument. The appointment of such Attorney(s)-in-Fact shall be accomplished by Powers of Attorney signed by the President, or the Vice President."

This Power of Attorney is signed and sealed by facsimile under and by the following By-Laws duly adopted by the Board of Directors of the Company.

### ARTICLE IX — EXECUTION OF CONTRACTS

"Section 4. The Secretary, or an Assistant Secretary, is authorized to certify that any such Power of Attorney so signed shall be validly executed and binding on the Corporation; and to certify that any bond, undertaking, or obligatory instrument of similar nature, other than policies and endorsements, to which this Power of Attorney is attached is and shall continue to be a valid and binding obligation of the Corporation, according to its terms, when executed by Attorney(s)-in-Fact appointed by the President or a Vice President."

"Section 5. It shall not be necessary to the valid execution and binding effect on the Corporation of any bond, undertaking, or obligatory instrument of similar nature, other than policies and endorsements, signed on behalf of the Corporation by the President, or a Vice President, or Attorney(s)-in-Fact appointed by the President, or a Vice President, or any Power of Attorney executed on behalf of the Corporation appointing Attorney(s)-in-Fact to act for the Corporation, or of any certificate to be executed by the Secretary, or an Assistant Secretary, as hereinabove in Section 2, 3, and 4 of this Article provided, that the corporate seal be affixed to any such instrument but the person authorized to sign such instrument may affix the corporate seal, and a facsimile corporate seal affixed to any such instrument shall be as effective and binding as the original seal."

"Section 6. A facsimile signature of the President, or of a Vice President, affixed to any bond, undertaking, or obligatory instrument of similar nature, other than policies and endorsements, or to a Power of Attorney signed by such President, or a Vice President, as herein in Sections 2 and 3 provided, or a facsimile signature of the Secretary, or of an Assistant Secretary to any certificate as herein in Section 4 provided, shall be effective and binding upon the Corporation with the same force and effect as the original signatures of any of such officers."

"Section 7. A facsimile signature of a former officer shall be of the same validity as that of an existing officer, when affixed to any policy or endorsement, any bond or undertaking, any Power of Attorney or certificate, as herein in Section 1, 2, 3 and 4 provided."

IN WITNESS WHEREOF, the Company has caused these presents to be signed by its President and its corporate seal to be hereunto affixed this 28 day of September 1973.



By:

AID INSURANCE COMPANY (MUTUAL)

*John E. Evans*  
President

STATE OF IOWA }  
COUNTY OF POLK } ss

On this 28 day of September, 1973, before me personally came John E. Evans, to me known, who, being by me duly sworn, did depose and say that he is President of AID Insurance Company (Mutual), the corporation described in and which execute the above instrument; that he knows the seal of said corporation, that the seal affixed to said instrument is such corporation seal; that it was so affixed pursuant to authority given by the Board of Directors of said corporation and that he is signed his name thereto pursuant to like authority, and acknowledged the same to be the act and deed of said corporation.



My Commission Expires September 30, 1976.

*Rose E. Miller*  
Notary Public in and for Polk County, Iowa

### CERTIFICATE

I, the undersigned, Secretary of AID Insurance Company (Mutual), a corporation organized under the laws of the State of Iowa, do hereby certify that the foregoing Power of Attorney is still in force, and further certify that Section 2, 3, 4, 5, 6 and 7 of Article IX of the Bylaws of the Company set forth in said Power of Attorney are still in force.

IN TESTIMONY WHEREOF, I have subscribed my name and affixed the seal of the company this 12th day of March.....

19 74



*William J. Hancock*  
Secretary



**AID INSURANCE SERVICES**

P.O. BOX 974 • 701 FIFTH AVENUE • DES MOINES, IOWA 50304

January 12, 1979

RECEIVED

Oil & Gas Conservation Commission  
1645 West Jefferson, Suite 420  
Phoenix, Arizona 85007

O & G CONS. COMM.

Bond #Bd10430  
Reed C. Nix  
d/b/a Nix Drilling Company  
R.R. #1, Box 123F  
Globe, Arizona

Gentlemen:

Will you please advise if this project has been completed and the bond may now be released. This permit covers the following: Northwest  $\frac{1}{4}$  Southwest  $\frac{1}{4}$ , Section 16, Township 5 South, Range 24 East of Graham County, Arizona.

A stamped return envelope is enclosed for your reply. Thank you very much.

Yours very truly,

  
William H. Sears  
Bond Underwriter  
AID Insurance Company (Mutual)

klh/358

Enclosure

January 15, 1979

Mr. Nix has completed the plugging of this well but, of this date, he has not completed the clean-up and the restoration of the location to its original condition. Until the clean-up and restoration is completed, this Commission cannot release Bond No. Bd10430.

W. E. Allen  
Director  
Enforcement Section  
Oil & Gas Conservation Commission

620

STATE LAND DEPARTMENT OF THE STATE OF ARIZONA  
BEFORE THE STATE LAND COMMISSIONER

1 IN THE MATTER OF GEOTHERMAL LEASE )  
2 NO. 1 FOR THE STATE LAND DESCRIBED )  
3 AS FOLLOWS: )

4 ALL SECTION 16, TOWNSHIP 5 SOUTH, )  
5 RANGE 24 EAST, 640.00 ACRES, GILA )  
6 AND SALT RIVER BASE AND MERIDIAN. )

7 LESSEE: REED C. NIX, MARRIED )  
8 )  
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FINDINGS AND

RECOMMENDATIONS OF

HEARING OFFICER

This matter was heard on March 2, 1978. The lessee was represented by counsel, Peter De Ninno. The Department was represented by A. K. Doss. Healing Waters, Inc., an interested party, was represented by David Teirs. Testimony was given by lessee, Reed C. Nix; A. K. Doss; and W. E. Allen of the State Oil and Gas Commission.

Mr. Doss testified that his examination of the premises indicated that drilling operations were not being conducted in a good and workmanlike manner on the expiration date of the preliminary term of the lease and that waste was being permitted. Mr. Nix testified that he was doing the best job he could under the circumstances but that the hole recurrently caved in and that for over a year he had, in effect, lost depth rather than gained it in order to maintain the hole he already had. Mr. Allen testified that he ascertained no waste insofar as the State Oil and Gas Commission was concerned. The hearing officer finds that there was no waste but that geothermal resources were not produced nor were drilling operations being conducted in a good and workmanlike manner on the expiration date of the lease which was November 20, 1977.

Counsel for lessee argued that even though the first page of the lease states that the primary term will extend until November 20, 1977, that provision is in conflict with the statement that the primary term shall be five years and the evidence clearly shows that the lease was not executed by either of the lessees or the Department until May of 1973. Counsel urged, for that reason, that the primary lease should not be considered to

1 have expired until sometime in May, 1978. The rules and  
2 regulations of the Department governing Geothermal Leases at the  
3 time this lease was entered into are mute insofar as a statement  
4 of the effective day of the lease is concerned. The general  
5 rules of the Department then in effect, however, specifically  
6 state that an effective day of a lease will be the date of the  
7 application. Rule 8, Article I, Sub Chapter B, Chapter 2, General  
8 Rules and Regulations Governing Leasing of State Lands as amended  
9 March 7, 1966.

10 As whatever power the Department had to issue a Geo-  
11 thermal lease at the time this one was issued was pursuant to the  
12 general powers of the Department to manage state lands as set  
13 forth in ARS Sec. 37-132, it is the opinion of the hearing officer  
14 that the general regulations of the department, absent any  
15 specific regulation to the contrary, are controlling. Consequent-  
16 ly, it is the recommendation of the hearing officer that the  
17 primary term of the lease be deemed to have expired on November  
18 20, 1977. It is further recommended that the Commissioner find  
19 that there are no grounds to authorize the continuation of the  
20 lease in any manner and that if further exploration be desired an  
21 application be submitted for a geothermal lease under existing  
22 law.

23 Dated this 9th day of March, 1978.

24  
25   
26 M. J. Mirkin  
27 Hearing Officer  
28  
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30  
31  
32

ORDER

1 The foregoing findings and recommendations of the  
2 Hearing Officer, Melvin J. Mirkin, having been duly considered,  
3 they are adopted as the findings of this Department, and

4 IT IS HEREBY ORDERED that Geothermal Lease No. 1 not  
5 be renewed following its expiration of November 20, 1977.

6 Dated this 24th day of March, 1978.

7 STATE  
8 LAND  
9 DEPARTMENT  
10 SEAL

*G. I. Betting*  
STATE LAND COMMISSIONER

11 Cert. # 569061 - Reed C. Nix

12 cc: Peter J. De Ninno  
13 Attorney at Law  
14 Morris & Malott  
15 P. O. Box 351  
16 Globe, AZ 85501

17 Mr. David P. Tiers  
18 Gerson & Tiers, Attorneys at Law  
19 1 A Main Street  
20 Bisbee, AZ 85603  
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Arizona State Oil & Gas Comm.  
Phoenix, Ariz.

Re: present status of well  
Geo. #1

Dear Sirs:

The well in Sec. 16 Graham County, Geo. #1 State, is being kept mudded off, with a mixture of mud gel bentonite and barite as a weight material. The drill pipe is in the hole within good solid rocks, with bit at 500 ft. Four joints were pulled, and thick heavy mud was pumped in to stop artesian flow. It has been necessary to recharge with mud at intervals to hold back the water flow, and protect the wall rock in the hole.

When the expected new drilling operations are underway, it will be with a more determined and timely effort, as we have now concluded by geology and temperature testing and extrapolating the temperature increase with depth, I believe that the chance of success of commercial possibilities, of the test well to be about 50% with proper procedure.

*Reed C. Mix* Jan 30, 1978  
Reed C. Mix, DBA  
Mix Drilling Co.

RECEIVED  
JAN - 8 1978  
O & G CONS. COMM.

Date November 15, 1977

To; State Land Dept.  
State of Arizona

In reference to #1 Geothermal lease dated November 21, 1972  
5 year term on Sect. 16-T 55 R 24 E, Graham County, Ariz.

Mr. Chairman:

I, Reed C. Nix, DBA Nix Drilling Company office in  
Globe, Arizona, request a lease agreement extension  
renewal option in Sec. 2 term of said dated lease.

Thousnads of man hours have gone into the project in  
the form of drilling and testing geologically. I believe  
the project will be a sucess if I am allowed time to  
further the project.

Some of the project expenses are as follows:

Lease money to state permits,	3,596.00
bonds & etc.	21,304.00
Roads, Pits, & Cellar	2,700.00
Casing & Valves	2,700.00
Moving Rig in	2,200.00
Bits	844.00
Equipment Rentals	1,610.00
Diesel Repairs, Oil & Gas	2,240.00
Equipment purchased	5,822.00
Mud & Chemicals for drilling, & cementing for casing	793.00
Travel & overnite exp. for drilling	1,560.00
Legal, Survey & insurance	559.00
	<hr/>
	\$23,228.00

Labor not figured.

RECEIVED

NOV 8 1978

O & G CONS. COMM.

A short summary of the work accomplished on the geothermal test well project is as follows:

A state drilling permit #620 was acquired and an access road was completed pits and cellar dug at the well site and the rig moved in. A 1 3/4 in hole was drilled to 85 feet, 12" casing was cemented to the ground to a depth of 80ft. A 12 inch valve was installed to the casing and a 12 in flanged pressure blowout valve was fastened on the top of the 12" Valve.

The casing and cementing program was observed by the Arizona Gas and Oil conservation Commission geologist.

A 9" hole was then drilled ~~then~~ 690 ft. and the bit was worn undersized so drilling was stopped due to extreme rotten condition of the ground.

A new 9" bit was installed on 7-26-77 and drilling and reaming proceeded. The ground being drilled was even more rotten and as each artesian area was being drilled through much drilling was required to chew up the rocks and sand falling in the hole and large cavities were mudded up at large expense of time and mud and drilling hot artesian water was encountered at 550 to 565 ft. at a temp. of 150 degrees. Another hotter water channel exists at 640 ft. at a 175 ° temp. *ent.* Another channel exists at 670 with a temp near 185°. Temperature *ent.* was not taken deeper due to the hang up of the thermometer.

At the present temp increase I expect the temperature to near 200° when I take a test at 700 ft. which I am presently actively drilling toward with very heavy drilling mud presently in the pits ready to be pumped down into the hole.

You are invited to observe the operation and see to your own satisfaction that I am trying to be a good asset to the community. I am also observing the multiple use concept on the state lease. on this section.

RECEIVED

MAR 8 1978

O & G CONS. COMM.

1977

Jan 19, 1977	W. A. Morris-drilling mud	57.77
27	Tire	30.00
Feb. 3	Two large ropes & Pulleys for rig	85.00
23	Ice chain, pipes, tires & assec.	43.09
Mar. 5	Tool box for rig	21.81
7	Permit renewal bond-Aid Ins	50.00
7	Childress Truck-Rental	10.24
May 17	2 joints used drill stem	47.96
19	Zonia Supply-10 sacks drilling mud	40.00
7	Holstiens welding shop	15.00
June 20	Swapbee- water pump	184.50
20	Checkers-Motor Oil for diesel	16.29
21	Sahara Oil Co.- 66 gal fuel for rig	36.00
29	Western Auto-Repairs	12.97
July 8	Expense for drilling-Groceries & Lodging	50.00
12	M & V Hardware-pipe fitting for mud pump	10.28
14	Room & Meals-Town House Motel	15.95
19	Nelson Electric-3" mud line threading	8.00
20	Town House-Room while drilling	13.30
22	" " " "	13.75
26	Bill Johnson Equip- 9" bit	474.60
28	Town House-Lodging while drilling	13.75
Aug. 2	8' of 3" mud hose, high pressure	44.18
JULY 29	Globe Auto Parts	9.19
Aug. 4	Town House Motel-	15.96
5	Sharp Store-50 Gal diesel	33.48
10	Town House	18.16
Aug 5	Checkers-case motor oil	14.11
16	Trailer rental to haul water to rig	104.00
13	Town house	33.48
23	5 sacks weight material drilling mud	20.80
24	Imperial Motel	11.44
29	242 ft. wire rope - 4 sacks mud from Zonia	10.00
30	Town House	13.75
31	" "	16.48
Sept 8	64 gal gas & 50 gal diesel	61.22
Moved in camper Sept. 6th.		
Sept 8	Union Oil on credit card-51 gal diesel	22.40
19	Standard Oil-54 gal diesel	36.32
20	Welding shaft on draw works	18.00
21	Checkers-case diesel oil	14.11
26	New sprocket on draw works	106.00
29	Union oil cr. card-50 gal diesel for rig	21.30
During the month of September I stayed in camper on the drill site.		
Oct. 6	Union Oil cr. card-50 gal diesel	23.05
8	" " " 51 "	27.00
11	53 gal diesel for rig	21.65
11	Holstien welding shop-Rig repair	28.00
19	52 gal diesel for rig	22.17
17	Union Oil-29.6 gal gasoline for mud pump	17.46
20	Holstein Welding Shop-shaft on draw works	12.00
21	Globe Auto Parts-Oil filter, element, mud	111.06
26	Union Oil-18.5 gal gasoline for pump	10.91

Stayed in camper on drill site during the month of October, 1977

Nov. 0	Union Oil-53 gal diesel for rig	21.33
1	18 gal gasoline for mud pump-Chevron	11.30
2	Whiting Bros. Thatcher-52.5 gal diesel	20.26

Drilled until evening of 11-19-77. Mud pump lost pressure to  
 Make good returns. Had to stop drilling as I lost approximately  
 9 ft. after drilling for 8 hours. Hoisted out of danger with difficulty  
 and shut down on Friday evening about 5:p.m. Proceeded to repair mud  
 pump.

Dec. 5, 1977	Mud pump repairs	8.24
15	2-5" series A piston Rubbers	94.08
15	1 filter element for rig motor	4.84
18	Dankworth machined 2 new mud pump rods	48.00
20	Town House Motel(to cold to sleep in camper)	13.75
21	" "	11.44
21	B. B. Burns-total of billion rental equip.	322.00
22	4 sacks bari'e weight material	25.52

Oct. 1977

Drilled and worked, Oct. 3-4-5-6- also repaired shaft broken before on the 11-12 and drilled 13-14-17-18-19. Broke same shaft again on apparently large boulder, had it welded again, and on 21 mixed 23 sacks of mud, and drilled 25-26-27-28. Had much trouble with boulders, sand and cave-ins.

Nov. 1977

Drilled 1-2-3-4- 7-8-9-10- 14-15-16-17- Lost nine ft. of hole but continued to drill. On 18th drilled till eve, mud pump quit, had to stop to repair mud pump worn out by sand.

I tore the pump down, checked on the need parts and repairs, then had George Dankworth machine shop, machine new push-rods. I picked up the new mud pump piston rods, completed and paid, on the 18th of Dec. \$48.00 On the 15th Dec I purchased from Bill Johnson Equipment Co. at Ph. the new pump rubber ends, for \$94.08 on the 19- and 20th Dec. repaired the pump and put it in good shape.

After a short business trip to near Las Vegas, and Phoenix I put together the pump and pushed mud in hole.

RECEIVED

MAR 1 1978

D & G CONS. COMM.

January 12, 1977

Mr. William H. Sears  
Bond Underwriter  
AID Insurance Company (Mutual)  
P.O. Box 974  
Des Moines, Iowa 50304

Re: Nix Drilling Company State No. 1  
NW/SW/4 Sec. 16, T5S, R24E, Graham County  
State Permit No. 620, Bond No. BD10430

Dear Mr. Sears:

This Commission cannot release the above referenced bond on the Nix Drilling Company well until such time as all rules and regulations of this Commission have been complied with.

As of this date, this well has been drilled to approximately 700 feet and has not been plugged.

If you need any further information, please advise.

Very truly yours,

W. E. Allen  
Director  
Enforcement Section

WEA/vb

cc - Reed C. Nix



**AID INSURANCE SERVICES**

P.O. BOX 974 • 701 FIFTH AVENUE • DES MOINES, IOWA 50304

January 6, 1978

RECEIVED

JAN 11 1978

O & G CONS. COMM.

Oil & Gas Conservation Commission  
State of Arizona  
8686 North Central Avenue  
Suite 106  
Phoenix, Arizona 85020

Bond No: Bd10430  
Reed C. Nix  
d/b/a Nix Drilling Company  
Gila, Arizona

Gentlemen:

Will you please advise if this project has been released, and the bond may now be released.

This covers land situated in the following: Northwest 1/4 Southwest 1/4, Section 16, Township 5 South, Range 24 East of Graham County, Arizona.

A stamped self-addressed envelope is enclosed for your reply.

Thank you very much.

Yours very truly,

William H. Sears  
Bond Underwriter  
AID Insurance Company (Mutual)

bk/304





OFFICE OF  
**Oil and Gas Conservation Commission**  
STATE OF ARIZONA  
4515 NORTH 7TH AVE.  
PHOENIX, ARIZONA 85013  
PHONE: (602) 271-5161

March 13, 1974

Mrs. Jo Ratcliff  
Four Corners Sample Cut Association  
P. O. Box 899  
Farmington, New Mexico 87401

Dear Mrs. Ratcliff:

Last permit issued was October 10, 1973. The following permit was issued March 13, 1974:

Nix Drilling State #1  
Geothermal test well  
Sec 16-T5S-R24E  
Graham County  
Permit No. 620

Very truly yours,

W. E. Allen, Director  
Enforcement Section

/rlb



OFFICE OF  
**Oil and Gas Conservation Commission**  
STATE OF ARIZONA  
4515 NORTH 7TH AVE.  
PHOENIX, ARIZONA 85013  
PHONE: (602) 271-5161

March 13, 1974

Mr. Frank Getscher  
P. O. Box 98  
Scottsdale, Arizona 85252

Dear Mr. Getscher:

The following permit was issued this date:

Nix Drilling State #1 Geothermal Test Well  
Section 16-T5S-R24E, Graham County  
Permit No. 620  
Proposed total depth - 2,000'  
Elevation - 2,810'

Very truly yours,

W. E. Allen, Director  
Enforcement Section

/rlb

March 13, 1974

Mr. Reed C. Nix  
Nix Drilling Company  
Rt. 1, Box 123 F  
Globe, Arizona 85501

Re: Nix Drilling State #1  
Sec 16-T5S-R24E  
Graham County  
Permit No. 620

Dear Mr. Nix:

Enclosed please find Receipt No. 0057 covering the \$25 filing fee,  
a copy of your approved Application to Drill, approved Bond, and  
Permit to Drill No. 620.

Very truly yours,

W. E. Allen, Director  
Enforcement Section

/rlb

Encs.